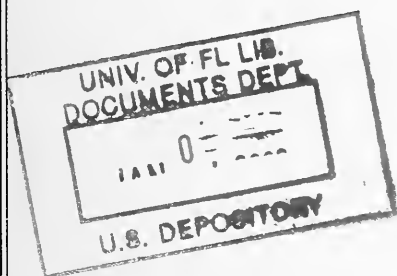


NATIONAL RECOVERY ADMINISTRATION

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AMENDMENT TO  
CODE OF FAIR COMPETITION  
FOR THE  
RESTAURANT INDUSTRY

AS APPROVED ON MARCH 8, 1935



UNITED STATES  
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Approved Code No. 282—Amendment No. 3

## AMENDMENT TO CODE OF FAIR COMPETITION

FOR THE

### RESTAURANT INDUSTRY

As Approved on March 8, 1935

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#### ORDER

#### APPROVING AMENDMENT OF CODE OF FAIR COMPETITION FOR THE RESTAURANT INDUSTRY

An application having been duly made pursuant to and in full compliance with the provisions of Title I of the National Industrial Recovery Act, approved June 16, 1933, for approval of an amendment to a Code of Fair Competition for the Restaurant Industry, and an opportunity to be heard having been duly afforded all interested parties, and the annexed report on said amendment, containing findings with respect thereto, having been made and directed to the President:

NOW, THEREFORE, on behalf of the President of the United States, the National Industrial Recovery Board, pursuant to authority vested in it by Executive Orders of the President, including Executive Order No. 6859, dated September 27, 1934, and otherwise, does hereby incorporate, by reference, said annexed report and does find that said amendment and the Code as constituted after being amended comply in all respects with the pertinent provisions and will promote the policy and purposes of said title of said act, and does hereby order that said amendment be and it is hereby approved, and that the previous approval of said Code is hereby modified to include an approval of said Code in its entirety as amended.

NATIONAL INDUSTRIAL RECOVERY BOARD,  
By W. A. HARRIMAN, *Administrative Officer*.

Approval recommended:

ARMIN W. RILEY,  
*Division Administrator*.

WASHINGTON, D. C.,  
*March 8, 1935.*

## REPORT TO THE PRESIDENT

The PRESIDENT,  
*The White House.*

SIR: This is a report on an amendment to the approved Code of Fair Competition for the Restaurant Industry, number 282, which was approved by you on February 16, 1934.

The Code Authority for the Restaurant Industry, in accordance with Subsection (d) of Section 1 of Article VIII of said code, has made application for the amendment thereof in the following respects:

1. To provide for the raising of funds to enable the Code Authority to carry out its duties in administering the Code, by an equitable method of contribution.

2. To relieve members of the Code Authority who exercise reasonable diligence in the conduct of their duties, from liability for any action taken in connection therewith except for their own wilful malfeasance or non-feasance.

3. To change the word "Administrator" wherever it appears in the Code to the phrase "National Industrial Recovery Board", with appropriate alterations in the pronouns referring thereto.

In accordance with customary procedure, every interested person was afforded an opportunity to be heard on this amendment and all statutory and regulatory requirements have been complied with.

### FINDINGS

The Deputy Administrator, in his final report to the National Industrial Recovery Board on said amendment to said Code, having found as herein set forth and on the basis of all the proceedings in this matter:

The National Industrial Recovery Board finds that:

- (a) The amendment to said Code and the Code as amended are well designed to promote the policies and purposes of Title I of the National Industrial Recovery Act including the removal of obstructions to the free flow of interstate and foreign commerce which tend to diminish the amount thereof, and will provide for the general welfare by promoting the organization of industry for the purpose of cooperative action of labor and management under adequate governmental sanction and supervision, by eliminating unfair competitive practices, by promoting the fullest possible utilization of the present productive capacity of industries, by avoiding undue restriction of production (except as may be temporarily required), by increasing the consumption of industrial and agricultural products through increasing purchasing power, by reducing and relieving unemployment, by improving standards of labor, and by otherwise rehabilitating the Restaurant Industry.

(b) The Code as amended complies in all respects with the pertinent provisions of said Title of said Act, including without limitation sub-section (a) of Section 3, sub-section (a) of Section 7 and subsection (b) of Section 10 thereof.

(c) The Code empowers the Code Authority to present the aforesaid amendment on behalf of the Industry as a whole.

(d) The amendment and the Code as amended are not designed to and will not permit monopolies or monopolistic practices.

(e) The amendment and the Code as amended are not designed to and will not eliminate or oppress small enterprises and will not operate to discriminate against them.

(f) Those engaged in other steps of the economic process have not been deprived of the right to be heard prior to approval of said amendment.

(g) Said amendment is necessary in order to support the administration of this Code: to maintain standards of fair competition established by this Code, and to effectuate the policies of the Act.

Said amendment was accordingly approved.

For the National Industrial Recovery Board:

W. A. HARRIMAN,  
*Administrative Officer.*

MARCH 8, 1935.

## AMENDMENT TO CODE OF FAIR COMPETITION FOR THE RESTAURANT INDUSTRY

Pursuant to Article VII, Section 1, Subsection (d), of the Code of Fair Competition for the Restaurant Industry, as approved by the President on February 16, 1934, and upon application therefore by the National Restaurant Code Authority, a group truly representative of the Industry, and in accordance with the provisions of Title I of the National Industrial Recovery Act, and in order to effectuate the policy of said Act, the following provisions are established as an amendment to said Code of Fair Competition for the Restaurant Industry for the establishment of fair trade practices within the industry on and after the effective date hereof.

### AMENDMENT TO CODE

Amend Article VIII as follows:

Add the following additional sections:

SECTION 2. It being found necessary, in order to support the administration of this Code and to maintain the standards of fair competition established hereunder and to effectuate the policy of the Act, the Code Authority is authorized:

(a) To incur such reasonable obligations as are necessary and proper for the foregoing purposes, and to meet such obligations out of funds which may be raised as hereinafter provided and which shall be held in trust for the purposes of the Code;

(b) To submit to the National Industrial Recovery Board for its approval, subject to such notice and opportunity to be heard as it may deem necessary, (1) an itemized budget of its estimated expense for the foregoing purposes, and (2) an equitable basis upon which the funds necessary to support such budget shall be contributed by members of the Industry;

(c) After such budget and basis of contribution have been approved by the National Industrial Recovery Board, to determine and obtain equitable contribution as above set forth by all such members of the Industry, and to that end, if necessary, to institute legal proceedings therefore in its own name.

SECTION 3. Each member of the Industry shall pay his or its equitable contribution to the expenses of the maintenance of the Code Authority, determined as herein above provided, and subject to rules and regulations pertaining thereto issued by the National Industrial Recovery Board. Only members of the Industry complying with the Code and contributing to the expenses of its administration as hereinabove provided, (unless duly exempted from making such contributions), shall be entitled to participate in the selection of members of the Code Authority or to receive the benefits

of any of its voluntary activities or to make use of any emblem or insignia of the National Recovery Administration.

SECTION 4. The Code Authority shall neither incur nor pay any obligations substantially in excess of the amount thereof as estimated in its approved budget, and shall in no event exceed the total amount contained in the approved budget, except upon approval of the National Industrial Recovery Board; and no subsequent budget shall contain any deficiency item for expenditures in excess of prior budget estimates except those which the National Industrial Recovery Board shall have so approved.

Amend present Sections 2 and 4 to renumber as Sections 5 and 6 respectively (old Section 3 having been heretofore deleted by Amendment 2, approved Dec. 19, 1934).

Add new subsection (h) to Section 1;

Nothing contained in this Code shall constitute the members of the Code Authority partners for any purpose. Nor shall any member of the Code Authority be liable in any manner to anyone for any act of any other member, officer, agent, or employee of the Code Authority. Nor shall any member of the Code Authority, exercising reasonable diligence in the conduct of his duties hereunder, be liable to anyone for any action or omission to act under this Code, except for his own wilful malfeasance or non-feasance.

Amend the Code as follows:

Replace the word "Administrator", wherever it appears throughout the Code of Fair Competition for the Restaurant Industry, with the words "National Industrial Recovery Board" and make the appropriate grammatical revisions necessitated by this change.

Approved Code No. 282—Amendment No. 3.  
Registry No. 1728-2-11.

UNIVERSITY OF FLORIDA



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